



DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[223A2100DD/AAKC001030/A0A501010.999900]

San Carlos Irrigation Project—Power Division, Arizona Power Rate Adjustment

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of Proposed Rate Adjustment.

SUMMARY: The Bureau of Indian Affairs (BIA) proposes to adjust electric power rates for the Power Division of San Carlos Irrigation Project (SCIP/PD).

DATES: *Comments due:* Interested parties may submit comments on the proposed rate adjustments on or before [INSERT DATE 60 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

Meeting date: BIA will hold a public meeting on the proposed rates March 3, 2022.

ADDRESSES: All comments on the proposed rate adjustments must be in writing. You may send comments via email to comments@bia.gov. Please reference “Rate Adjustment for SCIP-Power Division” in the subject line. Or you may submit comments to: Mr. David Fisher, Chief, Division of Water and Power, Office of Trust Services, 13922 Denver West Parkway, Suite 300, Lakewood, Colorado 80401.

FOR FURTHER INFORMATION CONTACT: For details about SCIP/PD, please contact Catherine Wilson, Acting Deputy Regional Director, Bureau of Indian Affairs, Western Region, 2600 N. Central Avenue, Phoenix, AZ 85004, (602) 379-6600.

SUPPLEMENTARY INFORMATION: The table in this notice provides current and proposed electric power rates for 2022 and 2023.

Public Meeting

We will hold a public meeting on the proposed rate adjustments on March 3, 2022, at 5pm MST time. To best accommodate all customers and ensure everyone’s

safety, we will be holding a virtual meeting. Please register in advance at:

https://zoom.us/webinar/register/WN_Eic1E73-RpGTyIhEPoWEvQ. The purpose of the public meeting will be to answer questions about the proposed rate increase.

What is the meaning of key terms used in this notice?

BIA means the Bureau of Indian Affairs within the United States Department of the Interior or the BIA's authorized representative.

Bill means our written statement notifying you of the charges and/or fees you owe the United States for the administration, operation, maintenance, rehabilitation, and/or construction of the electric power utility servicing you.

CFR means Code of Federal Regulations.

Customer means any person or entity to whom we provide service.

Customer service is the assistance or service provided to customers, except for the actual delivery of electric power or energy. Customer service may include: Line extension, system upgrade, meter testing, connections or disconnection, special meter reading, or other assistance or service as provided in each utility's Operations Manual.

Day(s) means calendar day(s).

Demand is measured in kilowatts by the utility's meter and represents the rate at which electricity is consumed in a fifteen-minute period of maximum use.

Electric power means the energy we deliver to meet customers' electrical needs.

Electric power rate means the charges we establish for delivery of energy to our customers, which includes administration costs and operation and maintenance costs in addition to the cost of purchased power.

Electric power utility means all structures, equipment, components, and human resources necessary for the delivery of electric service.

Electric service means the delivery of electric power by our utility to our customers.

Energy means electric power.

Fee (see Service fee).

I, me, my, you, and your means all interested parties, especially persons or entities to which we provide service and receive use of our electric power service.

Must means an imperative or mandatory act or requirement.

Purchased power means the power we must purchase from power marketing providers for resale to our customers to meet changing power demands. Each of our utilities establishes its own power purchasing agreements based on its power demands and firm power availability.

Rate (see Electric power rate).

Reserve Funds means funds held in reserve for maintenance, repairs, or unexpected expenses.

Revenue means the monies we collect from our customers through service fees and electric power rates.

Service (see Electric service).

Service fee means our charge for providing or performing a specific administrative or customer service.

Utility(ies) see (Electric power utility).

We, us, and our means the United States Government, the Secretary of the Interior, the BIA, and all who are authorized to represent us in matters covered under this notice.

Does this notice affect me?

This notice affects you if we provide you electric service. SCIP/PD provides service to customers located within the San Carlos Indian Reservation, Gila River Indian Reservation, and to areas in Gila, Maricopa, Pima, and Pinal counties in Arizona.

SCIP/PD provides power for residential, governmental, irrigation, commercial, and industrial uses, and approximately 83 percent of SCIP/PD's customers are non-Indians.

Where can I get information on the regulatory and legal citations in this notice?

You can contact us using the addresses provided at the beginning of this notice, or you can use the internet site for the Government Printing Office at <http://www.gpo.gov>.

Why are you publishing this notice?

We are publishing this notice to inform you that we propose to adjust our electric power rates. This notice is published in accordance with BIA's regulations governing its operation and maintenance of power projects, found at 25 CFR part 175. This regulation provides for the establishment and publication of rates for electric power assessments as well as related information about our power projects.

What authorizes you to issue this notice?

Our authority to issue this notice is vested in the Secretary of the Interior by 5 U.S.C. 301; the Act of March 7, 1928 (45 Stat. 210-12), *as amended*; and 25 U.S.C. 385c. The Secretary has in turn delegated this authority to the Assistant Secretary—Indian Affairs under Part 209, Chapter 8.1A, of the Department of the Interior's Departmental Manual.

How do you calculate electric power rates?

We calculate electric power rates by estimating the costs of energy delivery to our customers, which includes administration costs and operation and maintenance costs in addition to the cost of purchased power. Operation and maintenance costs include maintenance of a reserve fund to make repairs and replacements to the utility, defray emergency expenses, ensure the continuous operation of the power system, and pay other allowable expenses and obligations to the extent required or permitted by law. The result of this calculation is stated in the rate table in this notice.

How does SCIP/PD know how much rate increase is needed?

SCIP/PD completed a review of our rates in accordance with 25 C.F.R. 175.205 to: (a) determine if our financial requirements are being met to ensure the reliable operation of the utility; and (b) determine if revenues are sufficient to meet our statutory requirements. We have determined a rate increase is needed to ensure SCIP/PD can pay its expenses and replenish its reserve fund.

When will you put the rate adjustments into effect?

We will put the 2022 rate adjustment into effect for June 2022 bills. We will put the 2023 rate adjustment into effect for January 2023 bills.

Will any additional monthly rates apply?

We may add a purchased power cost adjustment to certain categories in the below table. This adjustment is the amount (rounded to the nearest \$0.0001) that the SCIP/PD pays to its power suppliers. When we experience unforeseen increases in the cost of purchased power, we may adjust the existing electric power rate and put it into effect immediately. We will publish the purchased power changes in the local newspaper and adjust the purchased power component of your bill accordingly. Such changes are not included in the procedure for adjusting electric power rates because unforeseen increases in the cost of purchased power are: (a) not under our control; (b) determined by current market rates; and (c) subject to market fluctuations that can occur at an undetermined time and frequency.

Weather and drought related events in 2020, combined with limited availability of summer energy resources, significantly increased power market rates and led to an immediate funding shortfall for SCIP/PD. As of November 2021, our purchased power costs increased by 218% from the previous year. To cover these unforeseen costs, BIA published notice in August 2021 of an adjustment to our purchased power rate in local newspapers (APACHE MESSENGER, Aug. 4, 2021; COPPER AREA NEWS, Aug. 4, 11, 18, 25, 2021; CASA GRANDE VALLEY NEWSPAPER, Aug. 3, 10, 17, 24, 31, 2021). Except for

Irrigation Project Pumps and Dawn-to-Dusk Lighting rate categories, the purchase power adjustment is \$0.031 per kilowatt-hour. This adjustment became effective on September 1, 2021. Because we have added the \$0.031 per kilowatt-hour adjustment into the proposed rates in the below table, the adjustment will end when our proposed 2022 rates become effective.

Are there restrictions on my use of power?

You must use any power that we supply you only on your property. You may not resell any power that we supply to you.

How does BIA bill me if I have more than one meter?

If you have more than one meter, we will calculate a separate bill for each meter.

When should I pay my power bill?

We will mail or e-mail your bill notifying you (a) the amount you owe to the United States and (b) when such amount is due. You should pay your bill by the due date stated on the bill.

What information must I provide for billing purposes?

All responsible parties are required to provide the following information to the billing office associated with SCIP/PD:

- (1) The full legal name of the person or entity responsible for paying the bill;
- (2) An adequate and correct address for mailing our bill; and
- (3) The taxpayer identification number or social security number of the person or entity responsible for paying the bill.

Why are you collecting my taxpayer identification number or social security number?

Public Law 104–134, the Debt Collection Improvement Act of 1996, requires that we collect the taxpayer identification number or social security number before billing a responsible party and as a condition to servicing the account.

What can happen if I do not provide the information required for billing purposes?

We can refuse to provide you electrical service.

If I allow my bill to become past due, could this affect my electrical service?

Yes. 25 CFR 175.315(b) states: “If your bill is past due we may: (1) Disconnect your service; and (2) Not reconnect your service until your bill, including any applicable fees, is paid in full.” Specific regulations regarding non-payment can be found in 25 CFR 143.5(c).

Are there any additional charges if I am late paying my bill?

Yes. We are required to assess interest, penalties, and administrative costs on past due bills in accordance with 31 U.S.C. 3717 and 31 CFR 901.9.

What else will happen to my past due bill?

If you do not pay your bill or make payment arrangements to which we agree, we are required to transfer your past due bill to Treasury for further action. Pursuant to 31 CFR 285.12, bills that are 120 days past due will be transferred to Treasury.

What electric power rates are proposed for adjustment by this notice?

The rate table below contains the present electric power rates for SCIP/PD. The table also contains proposed 2022 and 2023 rates. An asterisk immediately following the rate category notes where rates are proposed for adjustment.

Residential			
Rate Category	Present Rate	Proposed 2022 Rate	Proposed 2023 Rate
Minimum monthly charge per bill—including up to 50 kilowatt-hours *	\$10.00	\$14.08	\$14.08
Each kilowatt-hour between 50 and 500 *	\$0.12	\$0.1385	\$0.1387
All additional kilowatt-hours *	\$0.09	\$0.1385	\$0.1387

Small Commercial			
Rate Category	Present Rate	Proposed 2022 Rate	Proposed 2023 Rate

Minimum monthly charge per bill—including up to 50 kilowatt-hours *	\$20.00	\$26.55	\$26.55
Each kilowatt-hour between 50 and 950 *	\$0.13	\$0.1380	\$0.1412
Each kilowatt-hour between 950 and 9,000 *	\$0.08	\$0.1380	\$0.1412
Each kilowatt-hour over 9,000 *	\$0.06	\$0.1380	\$0.1412
Demand charge per kilowatt	\$2.00	\$2.00	\$2.00

Large Commercial			
Rate Category	Present Rate	Proposed 2022 Rate	Proposed 2023 Rate
Minimum monthly charge per bill—including up to 500 kilowatt-hours *	\$50.00	\$55.00	\$55.00
Each kilowatt-hour between 500 and 10,000 *	\$0.095	\$0.099	\$0.101
Each kilowatt-hour over 10,000 *	\$0.065	\$0.099	\$0.101
Demand charge per kilowatt *	\$3.00	\$9.15	\$9.15

Industrial			
Rate Category	Present Rate	Proposed 2022 Rate	Proposed 2023 Rate
Minimum monthly charge per bill	\$250.00	\$250.00	\$250.00
Each kilowatt-hour *	\$0.05	\$0.0851	\$0.0873
Demand charge per kilowatt *	\$7.00	\$11.29	\$11.29

Dusk-to-Dawn Lighting (see note #1)			
Rate Category	Present Rate	Proposed 2022 Rate	Proposed 2023 Rate
Monthly charge for 150 watt lights *	\$17.00 first light, \$15.40 next 4 lights, \$13.75 six or more lights	\$17.00 per light	\$17.00 per light
Monthly charge for 250 watt lights *	\$20.85 first light, \$19.00 next 4 lights, \$16.35 six or more lights	\$20.85 per light	\$20.85 per light
Monthly charge for 400 watt lights *	\$27.72 first light, \$24.27 next 4 lights,	No longer available	No longer available

	\$20.85 six or more lights		
--	----------------------------	--	--

Commercial Pumps			
Rate Category	Present Rate	Proposed 2022 Rate	Proposed 2023 Rate
Minimum monthly charge per bill *	\$25.00	\$29.69	\$29.69
Each kilowatt-hour *	\$0.039	\$0.0796	\$0.0815
Demand charge per kilowatt *	\$2.40	\$4.25	\$4.25

Irrigation Project Pumps (see note #2)			
Rate Category	Present Rate	Proposed 2022 Rate	Proposed 2023 Rate
Each kilowatt-hour *	\$0.035	\$0.05794	\$0.05794

*	Notes rate categories proposed for adjustment.
Note #1	The Dusk-to-Dawn Lighting rate applies to existing and unmetered lights.
Note #2	The Irrigation Project Pumps rate has two components. The first rate component is SCIP/PD's direct cost of transmission, distribution, and administration; this is proposed to be \$0.03183 per kilowatt-hour. The second rate component is SCIP/PD's direct cost of purchased power; this is \$.02611 per kilowatt-hour. We are required to use our least expensive source of power available, which is currently our Parker-Davis Project power supply. The Parker-Davis Project power rate is established annually by Western Area Power Administration.

Consultation and Coordination with Tribal Governments (Executive Order 13175)

The Department of the Interior strives to strengthen its government-to-government relationship with Indian Tribes through a commitment to consultation with Indian Tribes and recognition of their right to self-governance and Tribal sovereignty. We have evaluated this notice under the Department's consultation policy and under the criteria of Executive Order 13175 and have determined there to be substantial direct effects on federally recognized Tribes because the electric power utilities are located on or associated with Indian reservations. To fulfill its consultation responsibility to Tribes and Tribal organizations, BIA communicates, coordinates, and consults on a continuing basis with these entities on issues of electric power delivery, electric power availability,

and costs of administration, operation, maintenance, and rehabilitation of our utilities that concern them. This is accomplished at the individual power utility by utility, agency, and regional representatives, as appropriate, in accordance with local protocol and procedures. This notice is one component of our overall coordination and consultation process to provide notice to, and request comments from, these entities when we adjust electric power rates.

Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use (Executive Order 13211)

The proposed rate adjustments are not a significant energy action under the definition in Executive Order 13211. A Statement of Energy Effects is not required.

Civil Justice Reform (Executive Order 12988)

This notice complies with the requirements of Executive Order 12988. Specifically, in issuing this notice, the Department has taken the necessary steps to eliminate drafting errors and ambiguity, minimize potential litigation, and provide a clear legal standard for affected conduct as required by section 3 of Executive Order 12988.

Regulatory Planning and Review (Executive Order 12866)

These proposed rate adjustments are not a significant regulatory action and do not need to be reviewed by the Office of Management and Budget under Executive Order 12866.

Regulatory Flexibility Act

These proposed rate adjustments are not a rule for the purposes of the Regulatory Flexibility Act because they establish “a rule of particular applicability relating to rates.” 5 U.S.C. 601(2).

Takings (Executive Order 12630)

These proposed rate adjustments do not effect a taking of private property or otherwise have “takings” implications under Executive Order 12630. The proposed rate adjustments do not deprive the public, State, or local governments of rights or property.

Federalism (Executive Order 13132)

Under the criteria in section 1 of Executive Order 13132, these proposed rate adjustments do not have sufficient federalism implications to warrant the preparation of a federalism summary impact statement because they will not affect the States, the relationship between the national government and the States, or the distribution of power and responsibilities among the various levels of government. A federalism summary impact statement is not required.

National Environmental Policy Act

The Department has determined that these proposed rate adjustments do not constitute a major Federal action significantly affecting the quality of the human environment and that no detailed statement is required under the National Environmental Policy Act of 1969, 42 U.S.C. 4321–4370(d)), pursuant to 43 CFR 46.210(i). In addition, the proposed rate adjustments do not present any of the 12 extraordinary circumstances listed at 43 CFR 46.215.

Paperwork Reduction Act of 1995

These proposed rate adjustments do not affect the collections of information which have been approved by the Office of Information and Regulatory Affairs, Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995. The OMB Control Number is 1076–0021 and expires November 2022.

Unfunded Mandates Reform Act of 1995

These proposed rate adjustments do not impose an unfunded mandate on state, local, or Tribal governments in the aggregate, or on the private sector, of more than \$130 million per year. They do not have a significant or unique effect on State, local, or Tribal

governments or the private sector. Therefore, the Department is not required to prepare a statement containing the information required by the Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*).

Bryan Newland,
Assistant Secretary—Indian Affairs.

[FR Doc. 2022-02916 Filed: 2/8/2022 11:15 am; Publication Date: 2/10/2022]